



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

10/829,119

04/20/2004

Stuart A. Fraser

CF/002 CON

6481

64558 7590 01/30/2007  
FISH & NEAVE IP GROUP  
ROPES & GRAY LLP  
1211 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036-8704

EXAMINER

LOFTUS, ANN E

ART UNIT

PAPER NUMBER

3694

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
--	-----------	---------------

3 MONTHS

01/30/2007

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/829,119	<b>Applicant(s)</b> FRASER ET AL.	
	<b>Examiner</b> Ann Loftus	<b>Art Unit</b> 3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 20 April 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 38-44 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 38-44 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 4/20/04 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☒ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date <u>See Continuation Sheet</u> . | 6) <input type="checkbox"/> Other: _____  |

Continuation of Attachment(s) 3). Information Disclosure Statement(s) (PTO/SB/08), Paper No(s)/Mail Date :8/11/06, 5/24/06, 4/04/05, 2/14/05, 7/26/04.

## **DETAILED ACTION**

### ***Oath/Declaration***

1. The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02. The oath or declaration is defective because the application number listed is not 10/829119. Merely correcting the application number would invalidate the signatures, therefore a new oath is required.

### ***Specification***

2. The specification is objected to due to the following faults.

The Manual of Patent Examining Procedure states in 608.01(f) under Brief Description of Drawings that "The examiner should see to it that the figures are correctly described in the brief description of the drawing ..." This is based on 37 CFR 1.74:

"When there are drawings, there shall be a brief description of the several views of the drawings and the detailed description of the invention shall refer to the different views by specifying the numbers of the figures and to the different parts by use of reference letters or numerals (preferably the latter)."

The Brief Description of Drawings is objected to due to the description that lumps sixteen pages of drawings together under "FIGS. 17-25b." The MPEP instructs that each figure with a number should have a separate brief description, and in the case of a Fig 1A, 1B and 1C, either a brief description of either Fig 1 or three descriptions of its parts would be proper.

The examiner also objects to the phrase (page 12, line 24) "receive respond".  
The meaning of the sentence is unclear.

### ***Drawings***

3. The drawings are objected to as failing to comply with 37 CFR 1.84(p)(5) because they include the following reference character(s) not mentioned in the description: items 300 and 302 on Figure 3; item 420 on Figure 4; and item 1004 on Figure 10. Also note that page 34 line 8 refers to item 2264 which is not on Fig 22c as the narrative suggests. Further, on page 37, line 15 and 16, the phrase "see 10 under BOT in CUST 3004 row" this is not an appropriate way to reference the figure. Please add an item number and use the number when referencing parts of the drawing, as done with the other references. And lastly the examiner questions (on Figure 2) why the telephone network (226) is shown outside the market boundary (102).

Corrected drawing sheets in compliance with 37 CFR 1.121(d), or amendment to the specification to add the reference character(s) in the description in compliance with 37 CFR 1.121(b) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the

Art Unit: 3694

applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

***Information Disclosure Statement***

4. The following documents have no relevance to the application or the art of electronic trading systems:

(IDS 5/24/06) Sanchez, Rene, "One-Sex-Only Clubs Come Under Attack Nationwide; D.C. Antibias Law Similar to Many Others", The Washington Post, October 13, 1987.

(IDS 2/14/05) Munnell, Alicia H., et al., Mortgage Lending in Boston: Interpreting HMDA Data, The American Economic Review, Vol. 86, No. 1 (Mar., 1996), pp. 25-53. This is about a survey on discrimination in lending.

***Claim Rejections - 35 USC § 101***

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 38-41 are rejected under 35 U.S.C. 101 because the claimed invention does not specify a useful, tangible and concrete result.

Under the Interim Guidelines for Examination of Patent Applications for Patent Subject Matter Eligibility, an eligible invention either "physically transforms an article or physical object to a different state or thing, or ... produces a useful, concrete and tangible result." If a claim is not directed to an article or physical object, then a relevant

Art Unit: 3694

test for eligibility is whether the claimed invention as a whole is limited to a useful, concrete and tangible result.

The MPEP 2106 IV C (2) gives the following guidance to judge whether a result is useful, tangible and concrete:

- Useful – must be specific, substantial and credible and specifically recited in the claim. If the claim is broad enough to not require a practical application, it must be rejected.
- Tangible – must have a “real-world” result, not abstract.
- Concrete – must have a result that is substantially repeatable or the process must substantially produce the same result again.

As to claim 38, Receiving and presenting an uncanceled bid or offer can be an abstract activity with no physical artifacts. No real world result is cited in the claim, thus it is not tangible. Further, the use of such a method, specifically a trading method that does not accomplish a trade, is not recited in the claim.

As to claim 39, the phrase “for trading an item” denotes intent, but not a method step that accomplishes a trade. Therefore the claim still lacks a useful, tangible result.

Claims 40 and 41 fail to add a real-world result to the parent claim, thus it still lacks a useful, tangible result.

### ***Claim Rejections - 35 USC § 112***

7. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the

Art Unit: 3694

art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

8. Claims 38-44 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

The phrase "preventing cancellation" is cited in claims 38, 39, 40, 42 and inherited in claims 41, 43 and 44. Preventing cancellation is not something that a computing system can generally accomplish. For example, a power outage generally defeats any ongoing actions. Legally binding agreements can attempt to make cancellation problematic, but it would take undue experimentation for a person of ordinary skill in the art of electronic trading systems to enact law or regulation to enforce this step of the method, especially at an international level, as in the case of a system for trading currency.

The concept of an exclusive trading period, when certain people are not allowed to trade, is cited in claims 42 and 44 and inherited in claim 43. There is a similar problem whereby preventing certain traders from trading during certain times is beyond ordinary skill in the art of electronic trading systems of 1999, particularly if email and the phone system are part of the market. Official notice is taken that several hacks begin with resetting the computer's system clock such that a computer acts as though it is in a different time period. Preventing activity during a given time period would have taken



undue experimentation for a person of ordinary skill in the art of electronic trading systems in 1999.

***Claim Rejections - 35 USC § 102***

9. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

10. Claims 38-44 are rejected under 35 U.S.C. 102(b) as being anticipated by US Patent number 5168446, issued on Dec 1, 1992, by James Wiseman, referred to as Wiseman.

Referring to claim 38, Wiseman teaches an electronic trading system wherein a bid or offer is received from a participant (paragraph 15) and the bid or offer is presented to another participant (paragraph 43). Wiseman teaches preventing cancellation (paragraph 45) during a specified time period (the proposal state).

Referring to claim 39, Wiseman teaches preventing cancellation through system controlled parameters, since the system defines and controls the proposal state.

Referring to claim 40, Wiseman uses the plural "trades" (claim 9) to teach that the process is repeatable for a second bid or offer for a second item.

Referring to claim 41, Wiseman teaches (paragraph 2) trades of various commodities, which would include currencies.

Referring to claim 42, Wiseman teaches a distributed workstation computer system (Figure 3) for trading an item between passive participant and an aggressor

Art Unit: 3694

participant, or a trader and counterparty. Wiseman teaches providing and distributing bids, and preventing cancellation for a specified period of time. Wiseman teaches receiving a hit or lift as receiving acceptance (Figure 5). Wiseman also teaches executing the trade transaction (Figure 5). Wiseman teaches (paragraph 10) excluding participants through profiles of approved trade partners, thus excluding unapproved trade partners. Wiseman also teaches a negotiation phase between the trader and the counterparty that is a private transaction, which serves as a period of exclusivity when additional volume may be added to the trade.

Referring to claim 43, Wiseman teaches a period of exclusivity with the first participant to have entered a bid or offer that was hit or lifted.

Referring to claim 44, in addition features taught as above, the claim recites a trade command to hit or lift the bid or offer. Wiseman (Figure 5) teaches sending a proposal followed by an acceptance and a confirmation which would function as a trade command.

### ***Conclusion***

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Ann Loftus whose telephone number is 571-272-7342. The examiner can normally be reached on M-F 8-4.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Trammell can be reached on 571-272-6712. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3694

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

AL  
1/18/07



JAMES P. TRAMMELL  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600